

Report On
The Stayton Urban Renewal Plan

Prepared for:
The Stayton City Council

Approved by Urban Renewal Advisory Committee
April 15, 2009

Reviewed by Planning Commission
April 27, 2009

Approved by Stayton Downtown Urban Renewal Authority
June 17, 2009

Revised by the Stayton Downtown Urban Renewal Authority
September 14, 2009

Draft for Stayton City Council Approval
December 7, 2009

REPORT ON THE STAYTON URBAN RENEWAL PLAN

ACKNOWLEDGEMENTS

The Stayton City Council appointed a citizen advisory body to direct the public involvement and management efforts for preparation of this renewal plan. Members of the advisory committee and City of Stayton staff gave generously of their time in providing direction and assistance on all key issues involved in preparing the plan.

Members of the Advisory Committee

Name	Affiliation
Jack Adams	Supt. of Schools
Jack Carriger	Fire Chief
Dan Fleishman	City Planner
Tim Grimes	City Councilor
Will Myers	Downtown Property Owner
Greg Olsen	Downtown Property Owner
Gwen Petersen	Chamber of Commerce
Jim Templin	Downtown Business Owner
Scott Vigil	City Councilor
Michelle Wonderling	Chair, Planning Commission

Staff Assistance

Dan Fleishman, City Planner
Dave Kinney, Public Works Director

Urban Renewal Consultants

John Spencer, Spencer & Kupper
Charles Kupper, Spencer & Kupper

REPORT ON THE STAYTON URBAN RENEWAL PLAN

TABLE OF CONTENTS

	Page
EARLY STEPS.....	1
100. DESCRIPTION OF THE PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS IN THE RENEWAL AREA	2
100A. PHYSICAL CONDITIONS	2
100B. SOCIAL AND ECONOMIC CONDITIONS.....	4
200. EXPECTED FISCAL, SERVICE AND POPULATION IMPACTS OF PLAN	4
300. REASONS FOR SELECTING THE URBAN RENEWAL AREA	5
400. RELATIONSHIP BETWEEN EACH PROJECT ACTIVITY AND EXISTING CONDITIONS IN THE PROJECT AREA	5
500. FINANCIAL ANALYSIS OF PLAN	6
500A. ESTIMATED PROJECT COST AND REVENUE SOURCES	6
500B. ANTICIPATED START & FINISH DATES OF PROJECT ACTIVITIES.....	7
500C. ESTIMATED EXPENDITURES AND YEAR OF DEBT RETIREMENT	8
500D. IMPACT OF TAX INCREMENT FINANCING.....	8
500E. FINANCIAL FEASIBILITY OF PLAN	11
600. RELOCATION	11

REPORT ON THE STAYTON URBAN RENEWAL PLAN

Early Steps in Plan Formation

With financial assistance from the State of Oregon's Transportation and Growth Management Program, the City has completed a Downtown Transportation and Revitalization Plan. The Plan was produced by a 9-member Downtown Revitalization Advisory Committee with assistance from the Oregon Department of Transportation and a team of consultants led by Spencer & Kupper consulting planners. The Advisory Committee was comprised of representatives of the City Council, the Planning Commission, city staff, downtown merchants, the Chamber of Commerce, and the general public.

The consultants produced a series of technical memoranda, which became the basis for some of the goals and policies in the plan. The first memorandum was an analysis of the existing conditions in the downtown area. The second memorandum was a market analysis for the downtown area. The third memorandum was a market analysis of residential development of the former Paris Woolen Mill site on E Florence Street.

In the spring of 2007, a public forum was held on a conceptual plan for the downtown area, attended by over 40 people. With feedback from the forum, the Advisory Committee continued to refine the Plan and held a second forum in August, before forwarding the completed plan to the Planning Commission and then the City Council for public hearings. The Plan was adopted by the City Council as an addendum to the Comprehensive Plan in October, 2007.

The plan calls for a three-pronged approach to the revitalization of the downtown area:

- public improvements,
- land use code amendments, and
- business assistance.

The plan calls for the establishment of an Urban Renewal District in order to providing funding for the public improvements and business assistance programs.

The Stayton urban renewal plan was developed in an extensive series of public meetings.

Work on a renewal plan started in August, 2008. Four public meetings were held during the preparation of the renewal plan. Each meeting was built around discussion and public input on key elements of the urban renewal plan. Meeting topics included basic information on urban renewal and tax increment financing, development of project goals and objectives, development of a list of project activities, and a thorough review of the revenues, costs, and tax impacts of carrying out the project. The renewal plan committee also held three work sessions to review and make additional recommendations on aspects of the urban renewal plan.

The City of Stayton Planning Commission met to review the Plan on April 27 2009. The City Council held a public hearing on adoption of this Plan on July 20, 2009 and a second public hearing on the revised plan was held on November 16, 2009. Additional notice for the City Council's hearings on adoption of the Plan was provided, as required by ORS 457.120.

100. DESCRIPTION OF THE PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS IN THE RENEWAL AREA

Definition Of Blighting Conditions

ORS 457.010 defines "blight" as follows: (underlining is added for emphasis)

Blighted areas mean areas which, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health or welfare of the community. A blighted area is characterized by the existence of *one or more* of the following conditions:

The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, which are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:

Defective design and quality of physical construction;

Faulty interior arrangement and exterior spacing;

Overcrowding and a high density of population;

Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or

Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.

An economic dislocation, deterioration or disuse of property resulting from faulty planning;

The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;

The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions;

The existence of inadequate streets and other rights-of-way, open spaces and utilities;

The existence of property or lots or other areas which are subject to inundation by water;

A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;

A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare; or

A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

Note that it is not necessary for each of the cited conditions to be present in the renewal area, or that these conditions be prevalent in each and every sector of the urban renewal area.

100A. PHYSICAL CONDITIONS

1. Land Area and Conformance with 25 % limit on acreage

Oregon urban renewal law limits the total acreage in urban renewal areas to 25% of the total acreage within a city. City staff advises that Stayton contains approximately 1800 acres within its City limits. This would allow the City of Stayton to have approximately 450 acres in renewal areas. Staff estimates the total acreage in the boundary at 298 acres. The acreage in the proposed renewal area represents 16.5% of the total acreage in Stayton.

The renewal area is not close to the 25% limitation on acreage.

2. Existing Land Use and Development

The Stayton Urban Renewal area encompasses the downtown commercial district of Stayton, and some adjacent areas. Staff review of assessor's records indicates the area contains 550 parcels of land, with an assessed valuation of \$55.36 million.

3. Blighting Conditions in Renewal Area

A. Depreciated values and reduced utilization of the area: The average parcel size in the renewal area is only about one-third of an acre. This indicates a preponderance of small lot sizes, and will present difficulty in assembling sites for development and redevelopment.

An analysis of data from the Marion County Assessor's records indicates that of the 550 parcels in the renewal area, 371, or 67% have improvement to land value ratios less than 1:1, and that 483 or 88% have ratios less than 2:1. The area thus contains a preponderance of low value properties. A preponderance of low value property can lead to service problems for the City and other service providers in Stayton. The low level of property values and lack of proper utilization of the area for tax producing purposes meets the ORS definition of blight.

B. Obsolete and Deteriorated Buildings: A windshield survey of exterior building conditions shows the overall condition of property as fair to good. There are some properties that could benefit from exterior maintenance and repair. Renewal programs typically allocate fund for this purpose.

C. Infrastructure Deficiencies:

Stayton's staff surveyed the project area with the consultant in January, 2009, and provided the following list of infrastructure deficiencies in the project area:

Below are preliminary estimates for public works improvements within the proposed Stayton Urban Renewal Area.

The general condition of pavement, curbs and sidewalks was generally poor to fair throughout the district. Streets in the downtown commercial area are paved with curbs, gutters and sidewalks. However, most streets in the downtown commercial area have extensive alligator cracking, evidence of very shallow base rock, broken curbs, cracked sidewalks and undersized storm sewer lines. Where redevelopment has occurred, we found new sidewalks, driveway approaches and some new pavement surfaces.

The residential neighborhoods east of 3rd Avenue (3rd to 7th) that extend from E. Marion Street north to E. Hollister Street and the residential areas west of 1st Avenue (W. Water Street, W. High Street area, Birch Street and W. Virginia Street) are generally in poor condition. Many street segments have a narrow 18-20' center-paved or oil mat surface, gravel shoulders, curbs and sidewalks that are buried in gravel and/or not to grade. There are a number of older 40-80 year old sidewalks and curbs in these residential areas. Most of the pavement surfaces show extensive alligator cracking and evidence of base failure. During the past 20 years, the city has not done any maintenance on these streets. Consequently, with a few exceptions, residential streets are recommended for full reconstruction, with salvaging of sidewalks and curbs where possible.

Proposed street improvements include the following elements:

1. Commercial Areas:

- a. Curbs, gutters, and new 8-10' sidewalks
 - b. Handicapped ramps at intersections.
 - c. Asphaltic-concrete (AC) Pavement (40' width on most streets)
 - d. Streetscape furnishings
 - e. Decorative street lighting
 - f. Storm sewers and new catch basins
2. Residential Areas: Same as above, but 5' sidewalks and no streetscape furnishings.

The E. Marion St., 7th Avenue, 6th Avenue (near St. Mary's) and E. Hollister Street (1st-6th) cost estimates include an amount for new landscaping and decorative street lighting.

The estimates are based on a visual survey of streets, sidewalks and curbs throughout the urban renewal area conducted by the Public Works staff and the use of lineal foot costs for pavement, curbs, sidewalks, storm sewers, catch basins, landscaping, streetscape furnishings and lighting. Sidewalks and curbs in fair or good condition will be utilized whenever possible.

Unless the pavement condition was good or excellent, the analysis assumed the street would require reconstruction during the 20-year life of the Urban Renewal District. Reconstruction requires removal of the existing pavement surface, excavation, and replacement with new base rock and asphalt. New catch basins and storm sewer crossings will also be required.

Before any project is constructed, a detailed engineering project analysis and proposal will be prepared.

The infrastructure in the area has deficiencies in curb, sidewalk, streets, storm sewers, and catch basins. These infrastructure deficiencies are a blighting influence on the proposed renewal area.

4. Conformance with 25% limit on Assessed Values Land and Building values

It is assumed the adoption date of the renewal plan will establish January 1, 2008 as the frozen base date for the plan. The assessed value of real, personal and utility property in the renewal area is estimated at \$55.36 million for the 2008-09 tax year. The total assessed valuation of the City of Stayton for that year is \$489,090,470. The assessed value within the renewal area represents 8.83% of the total assessed value of property within Stayton. Total assessed value within the renewal area therefore will be well within the maximum 25% of total valuation allowed by urban renewal law.

100B. SOCIAL AND ECONOMIC CONDITIONS

No census data is available for the residential population of the renewal plan area.

200. ANTICIPATED FISCAL, SERVICE AND POPULATION IMPACTS OF PLAN

Urban renewal plan activities are intended to assist in attracting new investment and increases in property values and taxes for taxing bodies in Stayton. Renewal activities to improve infrastructure, streets, curbs, sidewalks, parking, public safety, public buildings, and making streetscape improvements, and providing funds for building rehabilitation will make the renewal area more attractive and accessible to the general public.

The public and private investments made in the renewal area are likely to encourage new investment in areas adjacent to the renewal area. There are other positive effects of a renewal program that do not lend themselves easily to quantification, for they are quality of life issues. Retaining Stayton's small town atmosphere, maintaining the downtown core as the heart of the city, and improving housing, employment and shopping opportunities, all have value to the Stayton community.

All the above elements of the Plan are expected to result in positive fiscal and service impacts for residents of Stayton. The Plan is not expected to result in a need for any additional police, fire, or other emergency services beyond those already contemplated by the City and other service providers.

The expenditure of tax increment funds is expected to produce increased property values for Stayton. The renewal project is estimated to be completed by 2030. During that period, assessed property values in the renewal area are expected to increase by approximately \$67.8 million. At tax rates expected to prevail at the termination of this plan, the new property values anticipated in the renewal area will contribute approximately \$964,000 in property tax revenues to all taxing bodies in the first year after tax increment collection is ended.

300. REASONS FOR SELECTING THE URBAN RENEWAL AREA

The Urban Renewal Plan Area was selected based on the existence of blighting conditions within the area, goals developed in the Planning process, and taken from other relevant City studies and documents, including Stayton's Comprehensive Plan. The project area evidences the following characteristics of blight:

- Lack of utilities to service new and existing development
- Lack of streets, curb and sidewalk in the renewal area.
- Buildings in need of repair and rehabilitation
- A lack of proper utilization of land planned for tax producing purposes.
- Low property values in the project area, resulting in reduced tax receipts.

This Report on the Plan concludes that conditions exist within the Renewal area meet the definitions of blight in ORS457.010. Treating these conditions is the reason for selecting this renewal area

400. RELATIONSHIP BETWEEN EACH PROJECT ACTIVITY AND EXISTING CONDITIONS IN THE PROJECT AREA

All project activities described in Section 700 of the Plan are intended to correct the deficiencies described in Section 100 of this Report and summarized in Section 300 of this Report.

1. Improvements to streets serving undeveloped or under-developed land will help those lands to develop, and provide property taxes and employment.
2. Assistance for rehabilitation and new development will attract new investment to the area, and improve the building conditions and blighted appearance of the area.
3. Curb, street, and sidewalk improvements will provide better public safety in the area.
4. Signalization and signage improvements will also benefit public safety in the area
5. Streetscape activities in the renewal area will improve the visual appearance of the area, and provide a better climate for new investment in the project area.
6. Improvements to public buildings, will help increase public usage of the area, and improve the climate for new investment in the area.

7. Parking improvements will help maintain and increase commercial investment in the renewal area

500. FINANCIAL ANALYSIS OF PLAN

500A. ESTIMATED PROJECT COST AND REVENUE SOURCES

Table One shows the estimated Renewal Agency share of total costs of the Stayton Urban Renewal Plan. These costs reflect anticipated inflation, and are the basis for the maximum indebtedness of the Plan. It is anticipated that there will be long and short-term borrowings to carry out project activities and that other sources of public and private funds will be pursued and applied to covering project costs. The costs shown in Table 1 do not include interest on indebtedness undertaken to carry out project activities.

The costs shown in Table 1 are referenced to sections of the urban renewal plan document. Costs of property acquisition authorized in Section 700 (4) are assumed to be covered in the project cost shown in Table 1. No property acquisition is contemplated at the time this plan is prepared.

Table 1. Stayton Renewal Area Estimated Projects and costs	
Financing & Policy Activities	TI allocation \$975,524 (10%)
Establish an Economic Improvement District (EID)	
Form an Local Improvement District (LID) for specific improvements	
Target development fees toward improvements, adopt applicable ordinances	
Establish a designated District for Vertical Housing Tax Abatement	
Prepare street and streetscape design standards for the District and adopt.	
Amend the capital improvement plan to include street and streetscape improvements, park improvements	
Amend the Parks Plan and CIP to located ped/bike paths along the north side of the Stayton Ditch, bridges crossing waterways, and Marion Street as a connector between the Library and Pioneer Park.	
Identify a public process to create new business assistance programs such as tax abatements, loan programs, grants, etc. Make recommendations to the City Council, adopt ordinances as appropriate.	
Development Assistance Program	TI allocation \$1,951,048 (20%)
Building rehabilitation (commercial) loans and grants (20 year program)	
Building rehabilitation (residential) loans or grants	
Historic building rehabilitation loans or grants	
Historic Property Inventory	
Property tax relief, such as Vertical Housing Tax Abatement	
Fee Waivers or reductions	
Technical assistance, such as market or cost analysis, or architectural	
Marketing and promotion activities	TI allocation \$487,762 (5%)
Implement a multi-faceted public relations/advertising approach that sends a consistent, memorable message to the target audience. (20 year program)	
Measure and evaluate results of advertising and marketing efforts.	
Make adjustments as necessary and continue to move ahead with a multi-faceted marketing approach.	

Street, pedestrian and Parking Improvements	
TI allocation \$2,438,810 (25%)	
Streetscape improvements: 3 rd Avenue	
Streetscape improvements: Local streets	
Gateway improvements at key intersections	
Marion Street Greenstreet enhancements	
1 st Avenue Street tree improvements	
Sidewalk Improvement Program	
Street trees and lighting improvements	
Public Parking acquisition and improvement	
Residential Street Improvements Loans or Grants	
Infrastructure Improvements	
TI allocation \$2,438,810 (25%)	
Sewer, water and drainage improvements as part of streetscape projects	
3 rd Avenue Water System Improvement	
Ida Street Water System Improvement	
Florence Street Water System Improvement	
Marion Street Sanitary System Improvement	
1 st Avenue/Ida Street Sanitary System Improvement	
Parks and Natural Area Improvements	
TI allocation \$487,762 (5%)	
Pedestrian/bike paths and bridges	
Public plaza with gardens, seating and special paving	
Beautification	
TI allocation \$487,762 (5%)	
Signage and way-finding program	
Develop signs, banners, etc. with common themes	
Entry Features on South Side of Downtown	
Public Buildings and Facilities	
TI allocation 487,762 (5%)	
Construct Civic Center and other public buildings (total cost shown)	
Total Capital Costs of projects	\$9,755,240 **

500B. ANTICIPATED START & FINISH DATES OF PROJECT ACTIVITIES

The project activities shown in Table 1 will begin in 2010, and be completed by 2030-31. The sequencing and prioritization of individual project activities shown in Table 1 will be done by the Urban Renewal Agency, and any citizen advisory bodies that the Agency calls upon to assist in this process. The priority of projects and annual funding will be as established in the annual budget process. Completion dates for individual activities may be affected by changes to local economic and market conditions, changes in the availability of tax increment funds, and changes in priorities for carrying out project activities.

It is estimated that all activities proposed in this plan will be completed, and project indebtedness paid off by 2030-31. At that time, the tax increment provisions of this plan can be ended.

500C. ESTIMATED EXPENDITURES AND YEAR OF DEBT RETIREMENT

It is estimated that the project will collect tax increment revenue between the 2010-11 and 2030-31 tax years. The amount of tax increment revenue needed to carry out project activities and estimated interest on debt is estimated at \$9,755,240.

It is anticipated that available project revenues, and funds accumulated in a special fund for debt redemption will be sufficient to retire outstanding bonded indebtedness in the 2030-31 tax year, and terminate the tax increment financing provisions of the project. After all project debt is retired, and the project closed out, it is estimated that there will be surplus tax increment funds of approximately \$51,000. These funds will be distributed to taxing bodies affected by this plan, as provided in ORS 457. Table 2 of this Report shows the anticipated tax increment receipts and project requirements for each year of the project. Table 2 follows on the next page.

500D. IMPACT OF TAX INCREMENT FINANCING

The passage of Ballot Measure 50 (BM50) changed Oregon's property tax system, and the impacts of urban renewal on taxpayers, and other taxing bodies. Prior to BM50, collection of tax increment revenues for a renewal agency resulted in an increase in the taxpayer's property tax rate. Taxing bodies suffered no revenue losses, unless there was overall compression of property tax revenues.

Under Ballot Measure 50, the taxpayers' permanent rates will not change. However, collection of tax increment revenue will impact the potential property tax revenues received by overlapping tax bodies. These taxing bodies will not be able to apply their permanent BM50 tax rates against the new values added within the urban renewal area. As a result, the taxing bodies will forego revenue they otherwise might have had if there was no renewal plan in effect.

Table Three shows the anticipated cumulative incremental values in the Renewal Area over the life of the Plan, and the anticipated property tax revenues foregone as a result of taxing bodies not being able to apply their permanent BM50 tax rates to those values. Table Five actually presents a worst case picture of revenue foregone, for it assumes that all the estimated new values in the Stayton Renewal Area would occur, even without the investment of urban renewal funds. However, it is more realistic to assume that the public expenditures on renewal activities will have some positive effect on the growth of values within and immediately adjacent to the urban renewal area. Table Five does not make this adjustment

More importantly, Table Three expresses all revenue foregone in 2008 dollars. It therefore does not take into account the fact that a dollar in the future is not as valuable as today's dollar. A present value calculation of the revenues foregone, using just a 3.5 % rate would substantially reduce the revenue foregone total. Evidence of that reduction is shown in the bottom row of Table Three.

Also, during the plan period, overall values in Stayton will increase, and those value increases outside the renewal area will reduce the tax foregone impact on the budgets of taxing bodies.

Under the current method of funding K-12 level education, the urban renewal program will not result in revenue losses for those educational units of government. The level of funding per student is not dependent on the amount of property tax raised locally.

When the project is completed, an estimated \$67.8 million in assessed values will be placed back on the tax roll. In the following year, the permanent rates of the overlapping taxing bodies will generate property tax revenues estimated at approximately \$964,000. Given a 4% inflation of assessed values in the area, the revenues foregone by the overlapping taxing bodies will be repaid in a period of 10 years after the project is completed.

TABLE TWO – STAYTON URA RESOURCES AND REQUIREMENTS

Stayton URA											
Resources and Requirements											
a. Resources	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Beginning Balance	0	\$1,642	\$521	\$6,268	\$3,587	\$506	\$7,190	\$2,066	\$9,193	\$7,341	\$6,538
Resources											
A. Tax increment Revenue	\$21,428	\$47,546	\$74,382	\$138,865	\$205,122	\$273,200	\$308,976	\$345,736	\$383,506	\$422,315	\$462,192
B. Bond Proceeds											
long term	\$0	\$0	\$448,326	\$0	\$0	\$1,115,107	\$0	\$0	\$0	\$0	\$0
C. Interest	\$214	\$475	\$5,227	\$1,389	\$2,051	\$13,883	\$3,090	\$3,457	\$3,835	\$4,223	\$4,622
Total Resources	\$21,642	\$48,021	\$527,935	\$140,254	\$207,173	\$1,402,190	\$312,066	\$349,193	\$387,341	\$426,538	\$466,813
b. Project Requirements											
To Long term Debt Service	\$0	\$0	\$61,667	\$61,667	\$61,667	\$220,000	\$220,000	\$220,000	\$220,000	\$220,000	\$220,000
Projects funded long and short debt	\$20,000	\$47,500	\$460,000	\$75,000	\$145,000	\$1,175,000	\$90,000	\$120,000	\$160,000	\$200,000	\$240,000
Total, projects and Debt Service	\$20,000	\$47,500	\$521,667	\$136,667	\$206,667	\$1,395,000	\$310,000	\$340,000	\$380,000	\$420,000	\$460,000
Ending Balance	\$1,642	\$521	\$6,268	\$3,587	\$506	\$7,190	\$2,066	\$9,193	\$7,341	\$6,538	\$6,813

Table 3 (continued)

Resources and Requirements

a. Resources	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Beginning Balance	\$6,813	\$91,290	\$5,717	\$9,407	\$2,632	\$10,425	\$7,819	\$1,517	\$11,554	\$2,967
Resources										
A. Tax increment Revenue	\$503,165	\$545,264	\$588,522	\$632,969	\$678,638	\$725,563	\$773,779	\$823,321	\$874,225	\$926,529
B. Bond Proceeds										
long term	\$1,938,707	\$0	\$0	\$0	\$2,500,000	\$0	\$0	\$0	\$0	\$0
C. Interest	\$24,419	\$5,453	\$5,885	\$6,330	\$31,786	\$7,256	\$7,738	\$8,233	\$8,742	\$9,265
Total Resources	\$2,466,290	\$550,717	\$594,407	\$639,299	\$3,210,425	\$732,819	\$781,517	\$831,554	\$882,967	\$935,794
b. Project Requirements										
To Long term Debt Service	\$425,000	\$425,000	\$425,000	\$266,667	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
Projects funded long and short debt	\$1,950,000	\$120,000	\$160,000	\$370,000	\$2,600,000	\$125,000	\$180,000	\$220,000	\$280,000	\$330,000
Total, projects and Debt Service	\$2,375,000	\$545,000	\$585,000	\$636,667	\$3,200,000	\$725,000	\$780,000	\$820,000	\$880,000	\$930,000
Ending Balance	\$91,290	\$5,717	\$9,407	\$2,632	\$10,425	\$7,819	\$1,517	\$11,554	\$2,967	\$5,794

(a) In 2030-31, all project debt is paid off, all projects are assumed completed, and an estimated \$146,150 can be distributed to affected taxing bodies

Table Three
Stayton Urban Renewal Plan
Revenue Foregone by Taxing Bodies

		<u>County tax rate</u> 3.0252	<u>Stayton Tax Rate</u> 3.328	<u>Stayton F.D.</u> 1.3133	<u>Library</u> 0.0818	<u>Soil & water</u> 0.05	<u>N. Santiam SD</u> 4.3973	<u>ESD</u> 0.2967	<u>Chemeketa CC</u> 0.6259
Year	Cumulative New Incremental Values in area	foregone on new values	foregone on new values	foregone on new values	foregone on new values	foregone on new values	foregone on new values	foregone on new values	foregone on new values
2010-11	1,567,500	\$4,742	\$5,217	\$2,059	\$128	\$78	\$6,893	\$465	\$981
2011	\$3,478,106	\$10,522	\$11,575	\$4,568	\$285	\$174	\$15,294	\$1,032	\$2,177
2012	\$5,441,254	\$16,461	\$18,108	\$7,146	\$445	\$272	\$23,927	\$1,614	\$3,406
2013	\$10,158,389	\$30,731	\$33,807	\$13,341	\$831	\$508	\$44,669	\$3,014	\$6,358
2014	\$15,005,244	\$45,394	\$49,937	\$19,706	\$1,227	\$750	\$65,983	\$4,452	\$9,392
2015	\$19,985,389	\$60,460	\$66,511	\$26,247	\$1,635	\$999	\$87,882	\$5,930	\$12,509
2016	\$22,602,487	\$68,377	\$75,221	\$29,684	\$1,849	\$1,130	\$99,390	\$6,706	\$14,147
2017	\$25,291,555	\$76,512	\$84,170	\$33,215	\$2,069	\$1,265	\$111,215	\$7,504	\$15,830
2018	\$28,054,573	\$84,871	\$93,366	\$36,844	\$2,295	\$1,403	\$123,364	\$8,324	\$17,559
2019	\$30,893,574	\$93,459	\$102,814	\$40,573	\$2,527	\$1,545	\$135,848	\$9,166	\$19,336
2020	\$33,810,647	\$102,284	\$112,522	\$44,404	\$2,766	\$1,691	\$148,676	\$10,032	\$21,162
2021	\$36,807,940	\$111,351	\$122,497	\$48,340	\$3,011	\$1,840	\$161,856	\$10,921	\$23,038
2022	\$39,887,658	\$120,668	\$132,746	\$52,384	\$3,263	\$1,994	\$175,398	\$11,835	\$24,966
2023	\$43,052,069	\$130,241	\$143,277	\$56,540	\$3,522	\$2,153	\$189,313	\$12,774	\$26,946
2024	\$46,303,501	\$140,077	\$154,098	\$60,810	\$3,788	\$2,315	\$203,610	\$13,738	\$28,981
2025	\$49,644,347	\$150,184	\$165,216	\$65,198	\$4,061	\$2,482	\$218,301	\$14,729	\$31,072
2026	\$53,077,066	\$160,569	\$176,640	\$69,706	\$4,342	\$2,654	\$233,396	\$15,748	\$33,221
2027	\$56,604,186	\$171,239	\$188,379	\$74,338	\$4,630	\$2,830	\$248,906	\$16,794	\$35,429
2028	\$60,228,301	\$182,203	\$200,440	\$79,098	\$4,927	\$3,011	\$264,842	\$17,870	\$37,697
2029	\$63,952,079	\$193,468	\$212,833	\$83,988	\$5,231	\$3,198	\$281,216	\$18,975	\$40,028
2030-31	\$67,778,261	\$205,043	\$225,566	\$89,013	\$5,544	\$3,389	\$298,041	\$20,110	\$42,422
Totals		\$2,158,856	\$2,374,941	\$937,203	\$58,374	\$35,681	\$3,138,019	\$211,732	\$446,657
	PV @3.5%	\$1,328,560	\$1,461,539	\$576,754	\$35,924	\$21,958	\$1,931,137	\$130,300	\$274,873

Note: School and ESD revenue foregone is replaced dollar-for-dollar by State funds, and does not affect per student funding.

PV = Present value of the revenue foregone. This adjusts future dollars to 2007 dollar totals.

500E. FINANCIAL FEASIBILITY OF PLAN

The total capital costs (i.e., exclusive of interest on indebtedness) to implement the project activities shown in Table 2 are estimated at \$5,853,145 in 2008 dollars. Estimates for inflation and potential interest costs indicate a total of \$9,755,240 in tax increment funds will be needed to carry out the project. The principal source of revenue to implement project activities will be annual tax increment revenues of the Renewal Agency. Anticipated tax increment revenues are shown in Table Two. The tax increment revenues shown in Table Two are based on the following assumptions:

- Indexed growth in total assessed value at 2.75% annually, AND
- In years 2010 and 2011, \$300,000 of new building will be added in each year.
- In years 2012, 2013, and 2014 \$3 million of new building value is added to the old mill site.
- From 2015 on, new building values of \$500,000 are added in each year to the conclusion of the project.

The maximum indebtedness and project costs undertaken in the plan is derived from assumptions on project values. To the extent those assumptions do not materialize as projected, projects will be delayed, cut back, or dropped. It therefore is financially feasible to carry out this urban renewal plan.

600. RELOCATION

A. PROPERTIES REQUIRING RELOCATION

No relocation is anticipated at the adoption of this plan.

B. RELOCATION METHODS

If in the implementation of this Plan, persons or businesses should be displaced by action of the Agency, the Agency shall provide assistance to such persons or businesses to be displaced. Such displaces will be contacted to determine their individual relocation needs. They will be provided information on available space and will be given assistance in moving.

No relocation of businesses or residents is anticipated in this plan.

C. HOUSING COST ENUMERATION

No housing units are scheduled for removal under this plan. It is anticipated that the renewal plan will produce new housing units via rehabilitation and new construction. It is expected that housing units will cover a wide range of unit types and affordability.